

# KING & SPALDING

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October 19, 2016

## VIA EMAIL AND REGULAR MAIL

Ms. Paula Painter  
Regional Financial Management Officer  
United States Environmental Protection Agency  
Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303

Mr. Ken Mallary  
EPA Remedial Project Manager  
United States Environmental Protection Agency  
Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303

RE: Medley Farm Superfund Site – Financial Assurance  
Gaffney, Cherokee County, South Carolina - CERCLIS ID Number: SCD987580248  
Amendment to Consent Decree  
United States, et al. v. AILS, LLC, et al., Civil Action No. 6:92-cv-0153-20

Dear Ms. Painter and Mr. Mallary:

On behalf of the Settling Defendants, I hereby request a change in the form of existing financial assurance for the Medley Farm Superfund Site, in accordance with Paragraph 7.F.2 of the above-referenced Amendment to Consent Decree.

As part of the Settling Defendants' initial financial assurance demonstration in 2014, the Settling Defendants included non-cash financial instruments totaling \$834,321.60. The Settling Defendants reduced the total of their non-cash financial instruments by \$345,426.80 in December 2015 with a cash deposit in an equal amount into the existing Settling Defendants' escrow account. The Settling Defendants propose to further reduce the total of their non-cash financial instruments by \$350,393.00 with a cash desposit in an equal amount into the existing Settling Defendants' escrow account. The attached Table 1 lists the individual Settling Defendants and the amounts of their original financial assurance contributions (Columns 2, 3 and 4), the 2015 drawdown (Column 5), the proposed 2016 drawdown amount (Column 6), and the proposed revised financial assurance amounts for which each listed Settling Defendant will provide a replacement instrument (Column 7), upon EPA's approval of this request.

The Settling Defendants have confirmed that the cost estimate used to establish the original financial assurance amount of \$1.512 million is still valid, as set forth in Appendix A – Cost Estimate to Implement Alternatives and Table 5-2 of the December 2011 Revised Focused Feasibility Study Report for the Medley Farm Superfund Site.



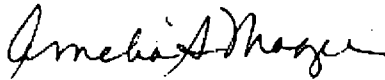
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The proposed replacement instruments will be essentially the same as those provided by the individual Settling Defendants that provided such instruments in 2014 and 2015. The Settling Defendants propose to transfer the necessary funds to the EPA escrow account and to concurrently provide EPA with replacement versions of the existing non-cash financial assurance instruments within 60-90 days of EPA's approval of this change in form.

Please let me know if you need any further information to approve this Settling Defendants' request for a change in the form of the financial assurance for the Medley Farm Superfund Site.

Sincerely,

A handwritten signature in black ink, appearing to read "Amelia S. Magee". The signature is fluid and cursive, with the first name "Amelia" being more prominent than the last name "Magee".

Amelia S. Magee

cc: Medley Farm Site Steering Committee Settling Defendants  
Ms. Gwendolen Bivins, USEPA  
Mr. Patricia T. Barmeyer, King & Spalding

	TABLE 1					
1	2	3	4	5	6	7
<u>Medley Farm Site - Financial Assurance</u>	2014 Original Financial Assurance - TOTAL	2014 Original Financial Assurance - CASH	2014 Original Financial Assurance - LOCs	2015 Cash Transferred to EPA Escrow Account	2016 Cash Proposed to be Transferred to EPA Escrow Account	2016 Revised LOC Amounts
National Starch	\$724,550.40		\$724,550.40	\$299,979.20	\$304,292.00	\$120,279.20
Milliken & Company	\$307,843.20	\$307,843.20				
ABCO Industries	\$293,932.80	\$293,932.80				
Colonial Heights Pkg	\$109,771.20		\$109,771.20	\$45,447.60	\$46,101.00	\$18,222.60
Tanner Chemical Co	\$37,648.80	\$37,648.80				
Ethox	\$20,714.40	\$20,714.40				
BASF Corp	\$17,539.29	\$17,539.29				
Subtotal	\$1,512,000.09	\$677,678.49	\$834,321.60	\$345,426.80	\$350,393.00	\$138,501.80